G R. S IX-5]

Previous references
1) Mal (257 – 13) 1–4
2) " (426 – 14) 1–4
3) " (134 – 46) 1–2
4) " (127 – 17) 1–20
5) " (127 – 17) 11–12
6) " Other references.

1919-20 (Mad)

File No 171-19

Serial Nos 165

GENERAL AND REVENUE SECRETARIAT

Serial Nos 165

Part B for Feb 1921.

SUBJECT

Proposal for the imposition of terminal and other taxes in the Shimoga Town Municipality

81) From the D.P and Members Shimoga Town Mil Cl. 287 dt 21-2-1920.
Submits proposals re. the imposition of terminal and other taxes for Sanction.

WD 98–1951 G.H.L.–11-20 82) To the D.P Shimoga & Commissioner } No R 9565-20 dt 26-2-21
Sanction the levy of Slaughter house fee only in the Municipal Limits of Shimoga. Other proposals will be separately considered on the receipt of further

M Sankaranarayana 27.5.21 Asst

GENERAL AND REVENUE SECRETARIAT

(Genl)

NOTES

File No. 171-29

File Headings.

Proposal to impose terminal & other taxes on the Municipality &c

From

The Dy Comr., Shimoga.

No. 287 Dated 18-2-20 Received 26-2-20

Diary No. 6428	Enclos. 3 Spare Copies.	Serial No. 1

Brief Abstract of Letter.

Requests sanction to the resolution of the Municipal Council of Shimoga to levy terminal & other taxes as per details set forth in the statement attached thereto pending for an additional income of Rs. 20,000 annually to the Municipality together with the only letter of objection received against the said levy.

NOTES AND ORDERS.

Dy Comr with report &c
Rs 3 & Fd in
Dy Comr -6
& Fd in -7-29

If the present proposal has been recommended vide para 2 of G.O. No. R 497 Mis dated 17-7-19, & meets the interest charges & a sinking fund towards the improvement of the water supply and drainage of the town of the enclosure to the

Notes—First Sheet.

Serial No.

of the Municipality are inadequate to any such extra charges.

2 Attention is invited to the Subsidiary Table Letter of Objections enclosed, regarding the levy of certain items as more fully explained in the Financial Tract & recommending the levy of only 3 items thereof yielding Rs 8000 annum. In this Connection reference is invited to the views of member noted on para 6 of the note in Jud (Mis) - 17) - 13

3. Submitted for orders whether a copy of the Budget Estimates of the Municipality for 19-20

KP
14.3.20
pk
24

4 The objections raised by the Subsidiary Table are of great weight and deserve careful consideration. Items numbered 3, 5, 6, & 7 in the resolution of the Municipal Council may perhaps be sanctioned ~~to~~ ~~that~~ at present. An increase in the income is also expected after the imposition of the Profession Tax. These items of increased income ought to be enough for the present needs of the

G R S III 2]

General and Revenue Secretariat

6198

ml File No 171 of 1919

Serial No

Shimoga Mlty

Rev Secy

5 Are Mucl Taxes on 'exports', and on "passengers" correct, and do they obtain anywhere else in the State, or outside?

17 3 20

Rec'd 19/3/20

I municipal taxes (terminal taxes) a

(dunlop file)

(b)

Effect was given ~~to~~ in G.O. No. 6981-9 dt 26 3 1912 & the several Municipalities in the State & octroi, perhaps with the object of introducing the 'terminal tax' instead, in accordance the suggestions contained in pages 501 & 9, and in para 13, page VII of the P the Cummings' Bombay District manual owing to the European war the question of first introducing the terminal tax in t two premier (Municipalities of dropped -

T & U

2 The tax on "Export" in lieu of octroi now obtains at Cawnpore and in

NOTE—Contin sheet.

6198

G. R. S. III 2]

General and Revenue Secretariat

ml File No. 171 of 1919

Serial No

introduced into the other municipalities of the United Provinces and in some Mofussil towns in Bombay Presidency -

vide Cummings' manual page 4 at above

(7) Special reference is invited to the office notes, as contained in the file re terminal tax at Cawnpore linked

(8) II Tax on pilgrims & passengers

The tax on pilgrims obtains at Benares, Haradwar, Ajudhia, & Calcutta There is provision for the pilgrim tax in the Bombay Presidency also

2 Reference is invited to the following files or orders relating the for the levy of this terminal tax -

(1) Legislative (42 of 1911) Cls 1-6 & Collection

(2) Govt no 10355/ml 250-R 2 of 17 & 6 19

(3) Municipal Collection 1706/ml 136-16 2 of 8 1

A

Regarding the arrangements connected with the Port Trust Railway in the

V

250

in the year under which the question has been discussed on the floor of the Council on the occasion of the Budget debate a note requisitioned by a Member to show the amount of the tax imposed by the Municipal Committee of Bombay during the last three years

No. 22/5/20

(9) The proposal to levy passen has been vetoed on than one occasion by

G R S III 2]

General and Revenue Secretariat

ml File No 171 of 1919

Serial No

Taxes on exports appear to be correct - but ~~such~~ terminal taxes have to be imposed in lieu of octroi and not in addition to it -

Rev Secy

14 20

(W) In their anxiety to obtain additional revenue, the M C have proposed items of taxation which can not, I think, be accepted, at least, at ~~this~~ present ~~stage~~ The taxation of exports obtains nowhere in the State or in the neighbouring British Provinces // The terminal tax has been held to be a desirable form of taxation, but its levy has been considered ~~objectionable only~~ under certain conditions (Vide para 13 of the Govt of India Resolu of April 15). The B'lore & Cuddapah Municipalities are still considering the question and collecting the necessary data, and have not yet made up their minds The levy of

Note—Contn sheet

Serial No

tolls on passengers arriving by
in the town is another unwise
tax proposed No doubt, these a
in force in some municipal parts
but their introduction in a
small Municipality like Shemioga
not seem desirable
(11) Attention is invited to the
note of dissent of Mr Subraya
Naik one of the Mel Councillors
One is inclined to agree with
him in his views As it is
necessary to augment the in
income of the Municipalities, the
following measures may be thought
of as being the most expedient
at the present time

1 ~~Octroi~~ Extension of Octroi (or terminal tax) to goods on which such octroi is leviable, but is not levied
2 Levy of tax on professions, which Municipalities have been advised to take up under the Mel Regn
3 Slaughter House Fees } as proposed
4 Surcharge Fees } by Mr CC

NOTE—Contn sheet

G R S [11 2]

General and Revenue Secretariat

1926

7

NL File No 171 of 191 7

Serial No

More than this does not appear called for at present. The Govt may perhaps be asked to consider the question and work out how far the municipal finances will improve with these and whether they will not be enough to meet the demand on the Council soon

2nd member

24 4 26

(IV) I am inclined to agree with the above note of the Secy. The DC Shimoga first spoke to me in the matter when I was at Shimoga on the 30th Ult & I then that I would look into it when the papers came up to me. The note of dissent put up by Mr is one which cannot be considered lightly. He has urged some strong reasons in support of his view. That the present proposal has been accepted by a large majority yet it seems to me that the matter is worth reconsideration by the Council. The DC may be addressed as proposed

6758-171
26-4-1926

14/5

OTE—Contn sheet

G R S. III-2]

General and Revenue Secretariat.

File No 171 of 191 9

Serial No.	
1	Submitted with a draft letter (vide para 2)
	14 Issue
2	To the Deputy Commissioner Shimoga No R 13263 - B3 22-5-20 Requests him to instruct the ryots to re-consider the question and submit fresh proposals in the matter.
3	From the D.C Shimoga no 6 B3 15/27 Oct 20 Requests that owing to increased financial obligations if the ryots may be permitted to recover all the cesses of local taxation referred to in 2 at least as an experimental measure
	Submitted for orders with respect paras 11 & 12 supra

NOTE—Contin. sheet.

G R S III 2]

General and Revenue Secretariat

Serial No

NL File No 171 of 1919

351

9

17 In a similar case when the Karachi Mr levied a terminal tax on exports the Govt of India directed its discontinuance As it had not confirmed to the Resn of Govt of India Home Dept No 5-S-60 of 24 April 1875 Perhaps the Resn enclosed will be on all fours with the present case Can a copy of the Resn be traced and put up for reference

18 Are there any rules on timber and areca nut at present Note the article on which duty is proposed to be retained 14 11 20

15/11

19 Please see pages 422 - 423 for the records referred to above in para 17

Vide Govt Bulletin of Enamel

No octroi on timber is at present being levied in the city limits of Rangoon Areca nut is not subjected to octroi anywhere in the State

NOTE—Contn sheet

G. R. S. III-2]

General and Revenue Secretariat

Mr File No 171 of 1924

10

Serial No

of the municipality want to retain octroi only on cloth and kerosine oil. All the other articles imports will be subjected to terminal tax only.

2 The levy of terminal tax on exports is open to objection as it may hamper trade to some extent. Cawnpore is the only municipality where the levy of terminal tax on both imports and exports is permitted by the Govt of India. Before the question of retaining octroi on exports can however be sanctioned, it seems necessary to ascertain the opinion of the Mysore chamber of commerce etc on the subject

3 The result, as it stands is that the mun cl want to levy terminal tax in addition

NOTE.—Contn sheet

Serial No

2

octroi. In view of the fact that owing to the levy income tax, there has been opposition to the levy of octroi, it is perhaps more expedient to sanction the results of the cl to levy terminal tax on as an experimental for a year, at the end of a report may be called for as to its continuance

If the proposed levy of tax on railway passengers seems to be in the nature of a poll-tax in British India, a tax on pilgrims going to Benares, Hardwar, Ayodhya & Rameswar is levied and is called a pilgrim tax The Calcutta -ment Trust Board also levs a similar tax on passengers leaving or entering the es- Shimoga is neither nor a pilgrimage, nor the levy of

12

G. R. S. III-2]

General and Revenue Secretariat | Intl File No 171 of 1919

Serial No.

a tax is not contemplated or authorised by the Intl Regs. The expediency of the levy of this tax is therefore for consideration & orders

As called with refer to paras 17 & 18 Supra

Sec
24/11/1920
Intl

With reference to para 17 above, the tax on Exports in Karachi was vetoed because it was held to be in the nature of a transit duty and therefore opposed to the accepted principles of Intl taxation which should properly fall only on articles intended for home consumption This reason is of course applicable in the case of Shimoga also

On the other hand, the case for the terminal taxes is stated with much force on pages 40 to 43 of the Report of the Intl Taxation Committee (United Provinces) put up

G. R. S. III-2]

General and Revenue Secretariat.

File No 171 of 1913

3512

13

Serial No.

It is seen that such terminal taxes if imposed should be
1 Very light and on all commodities
2 In lieu of octroi
3 worked with the least trouble as regards assessment & collection

The present proposal do not conform to the above conditions and are therefore inadmissible They propose to retain octroi on cloth & kerosene The incidence of the taxes has not been lessened Sufficiently enough and smooth and Easy working has not been ensured by this proposition The simple method of classification & assessment

Yes Secy
6/12

The Municipality is no doubt in need of considerable assistance to increase their income but what we are concerned with is

NOTE—Contn sheet

Serial No.

whether the Sawers now proposed for taxation is unobjectionable.

The duty proposed on timber and areca nut is virtually an Octroi duty, as nearly often articles are grown or prepared for trade in Shimoga itself. The case for the trade will certainly be difficult if every Municipality through which the article passes before it reaches the Consumer should begin to levy a similar tax.

Tax on imports does not stand on any higher footing as the bulk often consignments are meant for the district interior and therefore happens to be only a convenient debarking station. If the right of a Municipality to tax is based upon the convenience rendered by the local body to that section often public enjoying the convenience, there seems to be very little justification in taxing goods consigned to the district interior and merely unloaded at the Railway station and forwarded.

NOTE.—Contn sheet

3672

15

R. S. III 2]

General and Revenue Secretariat | MC File No. 171 of 1919

Serial No

To the Consulate

Tax on passengers though not wholly free from objection may perhaps be allowed except in the case of through passengers when the exclusion of the Railway is an accomplished fact It may be presumed that these travellers participate in the benefits conferred by the Municipality

(Govt Member) 11 12 20

3359 981
14 12 20

(Pres)

The Mcpl Cl have reconsidered their previous resolution & the DC strongly recommends its acceptance On general principles the proposal may be open to criticism but the question is What other alternative can the Mcpl Cl adopt to improve its revenues? A solution like the problem has been suggested & unless a better one can be found it seems to me that it is better to accept it & give it a trial. There can be no objection to the Negore Chamber of Commerce but then new ones I think be to all such cases

Allan

Peel
15 12 20

NS OFFICE
DEC 17 1920
No 4280
C No 201

NOTE—Contn. sheet.

3512

G. R. S. III S.

General and Revenue Secretariat. | xxl File No. 171 of 1919

Serial No.	
280	May be circulated for consideration in Council Lall 20-12-20 Chief Secretary with compliments for favour of further action Lee 21-12-20 Cs 22/12/20 C S Circulated WS 30/12/20

Memo—Contin. sheet.

(For Disposal at a Meeting) 17 No. C 412

Ml. 171/19.

GENERAL AND REVENUE SECRETARIAT

Council Matter

—o—

SUBJECT

(Clause xii of the Schedule.)

Proposal for the imposition of terminal and other taxes in the Shimoga Town Municipality

CIRCULATED TO THE MEMBERS OF COUNCIL

By Order,

C S Rangaswamy Iyengar Jr.

Chief Secretary to Government.

4th January 19 21.

Extraordinary Member of Council

First Member of Council

Second Member of Council Seen.

Third Member of Council

351 412 11

Subject - No. 18

Proposal for the imposition of terminal and other taxes in the Shimog Town Municipality

---

OPINION OF THE COUNCIL

Mr. Shah's remarks regarding the terminal taxes are important as they appear to be the first attempt to impose taxes on the basis of the Act.

To the Revenue with compliments

12/12/21

Two drafts sent
KP.
19/12/21

III 2,

General and Revenue Secretariat

3612

17

No File No. 171 of 1919

Serial No	
4	To DC Shimoga & Complete No. 9529 of 26.2.1921. Sanctions the levy of slaughter-house fee mg. in the mulk as proposed & State orders will be issued based on the remaining proposals
5	To DC of the other Three Shimoga Taluks & Subjoined Copy of Bangalore & Mysore No 5529-60 Calls for the views of the several Town Mcltys & the 2 Cantonment regarding the advisability of the other Taluks proposed & the Shimoga Town Mcl etc

Not Sent

NOTE—Contn sheet.

No. 257 -

Office of the Deputy Commissioner and President,
Shimoga Town Municipality,
Dated the 12th February 1920.

From

S. Hiriannaiya, Esquire, M.A., B.L.,
Deputy Commissioner and President,
Shimoga Town Municipality.

To

B. Ramaswamaiya, Esquire, B.A., B.L.,
Secretary to the Government of Mysore,
Revenue Department,
BANGALORE.

Sir,

In continuation of this Office letter No. 57 dated 14/16th August 1919 regarding the imposition of terminal and other taxes, I have the honor to state that it was resolved by the Municipal Council of Shimoga at their meeting held on the 26th July 1919 that the taxes enumerated in the enclosed rules be levied. A notice was issued calling upon the public to state their objections, if any, within one month and the same was published in partIV, page 820 of the Mysore Gazette dated the 25th September 1919.

2. I herein enclose for perusal the only letter of objection received by the Council. It was presented by Mr. U. Subrayanayak, a member of the Municipal Council.

3. The question was fully and keenly discussed at two meetings and the resolution referred to above was arrived at by a majority of 12 voting for and 3 against it. The chief objections urged against the proposals are embodied in Mr. Subrayanayak's note. I have no desire to minimise their force

[redacted] 9

1922.

From

[redacted]

To

[redacted]

Dated the 15th February 1922

Received No. 297.

Date. [redacted]

Extracts from [redacted] regarding the [redacted] of Tenancies and other [redacted] for sanction.

---

force or importance but the fact must be faced that the needs of the Shimoga Town are increasing and if the improved water supply and Drainage projects are to materialise the only resources that can be thought of for raising that part of the capital cost which the Municipal Council have to contribute are the taxes embodied in the proposals under reference.

4 The trade of Shimoga in arecanut, timber and other articles is rapidly growing and it is felt by a large section of the Citizens that the people both resident and foreign who profit by that trade should make a reasonable contribution for the improvement of the town where they carry on their calling Great thought and care were bestowed on other possible methods of taxation but they were all rejected in favour of the present proposals chiefly on the ground of (1) their insufficiency and (2) the unreasonableness of taxing further the poorer classes of the population It will be in the recollection of Government that the amount which we have now been called upon to raise is nearly ₹20,000/- and after careful consideration of the question I agree with the Municipal Council in recommending the present proposals for the sanction of Government The Municipal Council have not neglected to tap other sources of Revenue wherever possible for meeting other charges, for instance, in accordance with the orders of Government proposals for the introduction of the profession tax are actively in train

5. Should it be found that any of the taxes now recommended press heavily on any trade or interest which is contributing to the prosperity of the town the Municipal Council will be the first to propose its abolition and suggest other available sources.

6. In the circumstances I request that Government may be pleased to accord early sanction to the resolution of the Municipal Council

7. A copy of the rules together with a copy of the notice published are herewith enclosed for reference.

I have the honor to be,

Sir,

Your most obedient servant,

Deputy Commissioner & President,

Shimoga Town Municipality.

K.S

3

I have written this letter
I shall write to Govt
23/12/19

To

The Municipal Council
Shimoga Town Municipality
Shimoga

Gentlemen

With reference to notification published in the Mysore Gazette (page 828 dated the 25th September 1919) and which has been the subject of much discussion in your meeting held in the last month I beg to lay before you my objections ~~(towards)~~ against levying taxes contemplated by you

Before stating my objections may summarise the various taxations which you have deemed fit to propose to the Government for sanction -

(1)	Estimated income on Exports of timber	Rs 6000-0-0	per annum
(2)	Estimated income on exports of arecanut	Rs 4000-0-0	do
(3)	Estimated income on all imports except on goods leviable at present	Rs 6000-0-0	do
(4)	Estimated income on passenger traffic	Rs 1000-0-0	do
(5)	Estimated income on the levy of slaughter house fees	Rs 1000-0-0	do
(6)	Estimated income on the shape of surcharge fees on arrack	Rs 1000-0-0	do
(7)	Estimated income on hides Skins etc exported	Rs 1000-0-0	do
	Total	Rs 20,000-0-0	

It will thus be seen that your proposal amounts to a levy of Rs 20 000 annually over and above the present income of the municipality amounting to about Rs 40 000 per annum In other words your proposal contemplates a sudden rise of 50 per cent per annum over the present income One question that suggests itself is whether a mofussil municipality like Shimoga can conveniently arrange to collect from its inhabitants 50 per cent over and above their present contributions towards its funds Again the proposal of a levy of Rs 20 000 over and above your current income in this municipality which can boast of a population of only 13 000 amounts to an increase of Rs 1-8-0 per head over & above the present rate of 3-0-0 per head or a total of Rs 4-8-0 per head of population This rate is unprecedented in the history of Municipalities in the whole of the Mysore Province

At the meeting held during the last month it was pointed out that the municipality has to make provisions towards payment of interest and sinking fund of loans proposed to be ~~(loaned)~~ raised in connection with the water work and drainage schemes The requirements of the Municipality in this connection may be summarised as follows —

(1) amount required for completion of the Water Works scheme now on hand } Rs. 33,000-0-0

(2) amount required for completion of the Drainage scheme now on hand } Rs. 50 000-0-0

Total Rs. 83 000-0-0

Against this mutual expenditure of Rs 83,000, the Council will be obliged to set apart annually a sum of Rs 4980/- towards interest calculated at Rs 6 per cent per annum and a sum of Rs 3320/- towards sinking fund of at the rate of 4 % per annum - or a total of Rs 8300/- Apart from this, the Council do not seem to have in view any big schemes to finance it will thus be evident that there is no immediate reach for justifying the imposition of taxes to the extent contemplated by the Council - the notification published in the Mysore Gazette and referred to above

In selecting methods for the collection of an extra annual (illegible) it is necessary first to consider as to who is primarily responsible for payment of taxes proposed to be levied for improvements to be effected. a Municipality ? Content that the inhabitants of a Municipality for whose benefit a tax is proposed to be levied are primarily responsible to -

for payment of a ha[illegible] you to
to levy a tax on exports of [illegible]
timber & goods which will be as-
sumed as used & to be the [illegible]
of this Municipality, seems to me
as not justified. It was pointed
out to me at your last meeting
that the Government proposed to
you a levy of Terminal tax and that
therefore a tax on exports of [illegible]
hides and timber could be levied
As I understand it a tax such
is a tax imposed at a terminus
end of a voyage of goods & there-
fore submit that the terminal tax
templated in the [illegible] and
is a tax which may be levied on
goods whose transport or voyage
ends at Shimoga & not on all ex-
who Shimoga and not on exports
of goods whose voyage begins at
Shimoga

I was at your last meeting
to suggest ways and means to m[illegible]
the growing needs of the Munic[illegible]
So far as I could gather from the information
Municipal office, the present
quirements amount to only Rs 8300
to be provided for annually (
referred to above) towards expe-
ment of loans to be raised for
water works and drainage sche
as also payment of interest on them

To meet this annual increase of expenditure I would suggest you to levy the following taxes -

(1) Terminal tax or toll on all imports except goods dutiable at present (as estimated by you) } 6000-0-0

(2) Income on slaughter house fees over and above the present duty on sheep and goats (as estimated by you) } 1000-0-0

(3) Income in the shape of service charge fees on stock sold on Shimoga (as estimated by you) } 1000-0-0

Total Rs 8000-0-0

The above items of taxation will bring to the Municipality an extra annual income of Rs 8000/- as per requirements of Rs 7000/- per annum. I may add that the recent Government order that levying Municipal tax and / or levying any of professional tax instead will, as estimated by the Municipal office, bring in another annual extra income of about Rs 1000/-. It will therefore be evident, that, should my proposal be deemed by you as reasonable, the question of levy of other taxes may be dr[illegible]

at present of you, however resolve upon your original proposals, may I submit on your courtesy to arrange ~~to~~ to send a copy of the report to accompany your resolution that may be submitted to Government for approval.

I beg to remain
Gentlemen,
Your obedient servant
Sd/- Shanmugaratnam
Municipal Councillor
Shunga Town Ward

Shunga
19th Dec 1919

Proceedings of the First Ordinary General meeting of the Town Municipal Council, Shimoga held in the Town Hall on Saturday the 26th July 1919 at 8-30 A M.

X X X X X

X X X X X

Subject No. 14.

Government Order No. 1007-9 Ml 127-17-12 dated 17th July 1919 sanctioning to raise a loan for meeting a moiety of the cost of the scheme of improving the Water supply to the Shimoga Town at Rs

RECORDED.

Resolved that the following taxes be levied subject to Government approval -

(1) A tax on all timber exported from Shimoga on the following scale-

(i) Teak and Beety or (rosewood)---- 6 pies per cubic foot

(ii) On all other wood ---------- 3 pies per cubic foot

It is estimated that a sum of Rs 6,000/- may be collected under this head.

(2) A tax of 6 pies per Railway maund on all arecanut exported irrespective of the goods being booked by the local Merchants or by the Out-agencies at Sagar and Tirthahalli It is estimated that a sum of Rs 4,000/- may be collected under the head

(3) A terminal tax of half anna per Railway maund on all imports at the Shimoga Railway station except on Javali and kerosine oil on which octroi will be continued to be levied It is estimated that a sum of Rs 6,000/= may be collected under this head

(4) Terminal tax as noted below on all passengers purchasing tickets from stations beyond Birur and arriving at the Shimoga Station -

One anna on each 1st class passenger.

Half anna on each 2nd class passenger

Quarter anna on each 3rd Class passenger

The estimated revenue is about Rs 1,000/-

(Note) In the case of this tax arrangements will be made with the Railway Company for collecting the taxes, a small commission being allowed to them on such collections

(5) A slaughter house fee of annas two be levied on each sheep and goat slaughtered It is expected that on an avarage Rs 1,000/- a year may be realised under this head

(6) A surcharge fee of annas four on all arrack sold by licensee in the Town in excess of 50 gallons per month in each shop The estimated revenue will be about Rs 1,000/- per annum from this - source

(7) A tax of four annas per Railway maund on all hides, skins and tanning materials exported from this station It is estimated that a sum of Rs 1,000/- may be collected under this head

X X X X X

X X X X X

(Signed) T E Jayarama Iyer,

President

" Extract "

For President,

Soga Town Municipal Council

31

[redacted] TOWN MUNICIPALITY

Dated 9th August 1919.

Notice is hereby given to the inhabitants of the Municipality of Chingam Town that the Municipal Council desire to impose the tax defined in the rules appended.

Any inhabitant of the Municipality objecting to the proposed tax, may within one month from the date of notice send his objections in writing to the Municipal Council.

(Signed) T.K Jayarama Iyer,
President,
Chingam Town Municipality.

"COPY"

[signature]

Vice President,
Chingam Town Municipality.

G. R. S. VI—G/32]

SUBJECT ..

Diary No. of letter replied to ...

Section Nil
File No. 171-19
Serial No. 2

GENERAL AND REVENUE SECRETARIAT
( )
, the 191

No. R 13223-d 22-5-20

Date of issue 22-5-1920

Signed by for Hd. Asst.

To

The Deputy Commissioner
Shimoga. Dictated

Sir,

With reference to your letter no 287 dated 12 February 1920 Submitting for sanction the proposals of the Shimoga Town Municipal Council for the imposition of terminal and other taxes, I am directed

to state that Govt are of opinion that in order to augment the income of the municipality the following measures may be thought of as being the most expedient at the present moment:—

(1) Extension of octroi (or terminal tax) to goods on which such octroi is leviable but is not now levied

(2) Levy of tax on professions

(3) Levy of slaughter house fees and surcharge fees on tarrack

and to request that the municipal Council may be advised to reconsider the question and report how far the municipal finances

List of enclosures—

GRS 27]

GENERAL AND REVENUE
SECRETARIAT

(Continuation sheet draft form)

will impress with
the above measures and
whether the mill
not be enough to
meet the ~~needs~~
demands
Council now

I have etc.

Sd

For Secy to Govt
Irrig Rev deptt

No. 6 / Encls 4 (Memorandums A, B and C)

From

Office of the Deputy Commissioner and
President, Shimoga Town Municipality,
Dated the 15th October 19[illegible]
27

S. Hiriannaiya, Esquire, M A , B L.,
Deputy Commissioner and President,
Shimoga Town unicipal Council

D N° 3512
29 10 2[illegible]

Rev 171-19—[illegible]

To

B Ramaswamaiya, Esquire, B A , B I ,
Secretary to the Government of His Highness
the Maharaja of Mysore, Revenue Department,
Bangalore

Sir,

In reply to your letter No R [illegible]/ 1 171-19-[illegible] - dated 22nd May 1920 suggesting measures for augmenting the resources of the Shimoga Town Municipality, I have the honour to state that the proposals were placed before the Municipal Council at a meeting held on 2nd October 1920 and they were of opinion that as the financial obligations of the Municipal - Council had since materially increased owing to the grant of allowances to the wholetime employees on the scale permitted by Government in their Order No Fl 449-98/ S & A [illegible]-20- dated 19th July 1920 that Government might be approached afresh with a request for a kind reconsideration of the proposals already submitted with this office letter No 987 dated 8th February 1920 A copy of the resolution is enclosed for - reference

2 After a careful consideration of the suggestions made Government with an earnest desire to adopt them I feel that there is considerable force in the contention of the Municipal Council that the proposed measures will not bring in the -- additional income required by the Municipality

From the enclosed memorandum on the financial position of the Municipality, it will be seen that the present normal

income of that body is R$ 48,470/- against a normal expenditure of R$ 47,288/- thus leaving very little balance for undertaking works of improvement even of the most urgent nature

As indicated in another Memorandum the Municipality is now called upon to meet the following additional charges viz -

(1) On account of special allowances	R$ 7,080/-
(2) On account of increased cost of maintenance of Water Works ----	R$ 2,000/-
(3) Interest at 6% on a loan of R$ 81,300/- ---------- ---	4,876/-
(4) For sinking Fund. --- ------	3,252/-
5) For urgent works of improvement	3,000/-
Total	R$ 20,208/-

On a most liberal estimate and bringing under taxation some of the most commonly used articles, the measures suggested in the Government letter under reply may be expected to yield an increased income of R 9,200/- as shown in the - enclosed Memorandum marked " C ", thus falling short of our requirements by about R$ 11,000/-

3. Perhaps it should be stated here that in the Memo--randum prepared by Mr U. Subraya Naik against the proposals of the Municipal Council (sent with my letter No 287 dated the 6th February 1920) some of the most important items of increased expenditure have been omitted Viz:-

(1) Increased cost of maintenance of Water works. ----------	R$ 2,000/-
(2) Grant of allowances to the Municipal employees since sanctioned.	R$ 7,080/-
(3) Allotment for works of improvement	3,000/-
Total	R$ 12,080/-

If these figures are added to the increases

admitted by him it will be clear that the Municipality is faced with the need of finding funds for an increased annual expenditure of Rs 20,908/-

4. No doubt some of the measures proposed by the Municipality are some what opposed to accepted notions of local taxation but as no alternative solution is feasible the Municipal Council are constrained to request that they might be permitted to give a trial to their suggestions Though unfortunately Mr U Subraya Naik was absent at the meeting at which the resolution referred to in paragraph 1 of this letter was passed, it secured the unanimous assent of all the members present including at least three prominent representatives of the mercantile and Commercial interests of the town The Course suggested by Government has at least one disadvantage Viz, that by increasing the number of dutiable articles under Octroi the poorer consumers of the town will be called upon to pay a substantial part of the increased taxation

5. In these circumstances, I request that the Government may be pleased to sanction the proposals contained in this Office letter No 287 dated the 6th February 1920 The Water Supply and Drainage works are in progress and their early completion depends on the alacrity with which the Municipality makes its quota of contribution available

I have the honor to be,

Sir,

Your most obedient servant,

Deputy Commissioner and

President,

Shimoga Town Municipal Council

Proceedings of the adjourned Third Ordinary General Meeting of the Town Municipal Council, Shimoga held in Sree Chamarajendra Memorial Hall on Saturday the 2nd -- October 1920 at 8-30 A

X X

Subject No 15 Letter No R 1[illegible] dated 22nd May 1920 from the Revenue Secretary to Government - regarding the imposition of Sales Tax and other taxes

RESOLVED that as the financial obligations of the Municipal Council has materially increased since - February last owing to the grant of increased allowances - from the commencement of the Official year the proposals - already framed may be respectfully submitted for the -- re-consideration of Government

X

(Signed) S Hiriannaiya,
PRESIDENT

" COPY "

Hiriannaiya
President,
Shimoga Town Municipal Council

SHIMOGA TOWN MUNICIPALITY

MEMORANDUM A

Statement showing the financial condition of the Shimoga Town Municipal Council for the year 1920-21

INCOME

Total Receipts		2,15,004/-
Deduct extraordinary items -		
1 Loans and other public debt items		84,267/-
2 Interest on investments		
3 Occassional grants from Government for special items		81,267/-
4 Sale of lands		1,000/-
Total deductions		1,66,534/-
NORMAL INCOME		48,470/-

EXPENDITURE

Total expenditure		1,00,399/-
Deduct extraordinary items -		
1 Public works, optional		40,000/-
2 Construction and improvement of dispensary building including staff quarters		2,111/-
3 Compensation		4,000/-
4 Loans and other public debt items		5,000/-
Total deductions		53,111/-
NORMAL EXPENDITURE		47,288/-
BALANCE-		1,182/-

27 10 20

President,
Shimoga Town Municipal Council

MEMORANDUM B

The Municipality has to find funds to meet the following extra items

1	Interest on Loans of Rs 81,000/- (For water works and Drainage works) at 6% per annum ----- ----	4,878/-
2	For Sinking Funds at 4% per annum ------- ---	3,050/-
3	On account of Conservancy allowances since sanctioned by Government ----------	7,000/-
4	On account of increased cost of maintenance of Pipe Water Works --- --- --- --------	2,000/-
5	For Urgent works of Improvements, - ---- - -----	3,000/-
	T O T A L	Rs 20,928/-

27 10 20

B

President,
Shimoga Town Municipal Co

MEMORANDUM C

The following items if taxed as suggested by Govern[illegible]t they are likely to bring an additional income of about Rs 9,200/- as noted below -

1	Jaggery at 2 annas per maund ----		1,000/-
2	Sweet oil at 2 annas per [illegible] ----		500/-
3	Castor oil at 2 annas per [illegible] ----		500/-
4	Cocoanut oil at annas [illegible] ---		400/-
5	Rahadari fees, at [illegible] each rahadari on a route ----		400/-
6	Carja a Re 1/- pe [illegible] -- ----		400/-
7	Timber at [illegible] C Ft -- -----		1,000/-
8	Ja galore Tiles at [illegible]/- per [illegible] thousand ---		1,000/-
9	Slaughter house [illegible] fees		2,000/-
10	Professional tax	1,500/-	
	Less on account of the abolition of shortage etc,	2,500/-	2,000/-
	Total		Rs 9,000/-

[illegible]

President,

Shimoga Town Municipality

27 10 20

G.F.S. 28.]

File No. 171-19
Serial No 4

Diary No of letter replied to 3512

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT
(Branch)

Read the report

from the 1007-7 3 7 7 19
M.L.C. 27-17-12,

forwarding the proposal of the Town Municipal Council of Channapatna to raise a loan of Rs 31267 for making certain works of the Scheme for improving the water supply to the Town at the

Order thereon. No. subject and Calling for a report along with his views thereon regarding the action taken by them to enforce their finances & the levy of Terminal tax, in order to provide for interest charges & a sinking fund

Part

Cor. Ending with Letter Dated

over

to 19

Date of issue 26-2-21

Signed by H. Ramaswamy

For

Subject

GPS—10,000—9-12-20

vs. 6¼ of 15·10 rods from the by-law
& Proof of the Shamirpet Town Panchayat
Council submitting for sanction
the proposals of the Municipal
Council regarding the imposition
of Conservancy & other taxes Estimated
to yield an annual additional income of Rs
20000 & the Minutes & Enclosures
for perusal the original letter of Rajahmundry
received from Mr. D. Subbarayudu
in the matter

order no. R 9579-5

Just are placed for sanction for
the proposals, the imposition of the tax
of slaughter house fees at 2 as.
on each goat or sheep slaughtered
which is estimated to yield on an average
Rs. 1000 a year

2. Separate orders and
letter on the remaining proposals

To Mr. C. Shamirpet
(Panchayat)

21/2/21

Mr. Reddy

SUBJECT.....

Diary No. of letter replied to 35R

General and Revenue Secretariat

(Mail)

, the 191

Date of issue 26-7-1921

For Chief Secretary

Section A

File No. 171-19

Serial No. 5

No. R 9531-40

Copy

To The Deputy Commissioner of Bangalore

Revenue Department

Sir,

I am directed to forward herewith a Copy of the proceedings of the Chamarajendra Town Council regarding the levy of Terminal and other taxes on the Cocoa, forming a subject of Resolution of the Town Council dated 26-7-1919 and to request to be favoured

Cir. No. 10

with the views of the town municipal Council ~~organisation~~ [municipal Council] as to the advisability of the time.

I have etc.

Sd/-

J. M. Parsley

No. 19/2/21

Memo No. ... date ...

Copy forwarded to ... for ... information ...

By order

Sd/-

J. M. Parsley

wb

List of enclosures.

Copied by

Examined by

Proceedings of the Diwal Ordinary General meeting of the Town Municipal Council Chhinga held in the Town Hall on January the 28th July 1919 at 8-30 p.m.

x x x

Subject No 10

Government Order No.1607-D 22.297-19-15 dated 20th July 1919 sanctioning to raise a loan for the erection of the cost of the scheme of improving the water supply to the Chhinga town as a [illegible]

Considered.

Resolved that the following items be levied subject to Government approval :-

(1) A tax on all timber exported from Chhinga on the following scale :-

(i) Teak and Rosty or (rosewood) -- 6 pies per cubic foot

(ii) On all other wood -- 3 pies per cubic foot

An estimated sum of Rs.6,000/- may be collected under this head

(2) A tax of 6 pies per railway maund on all cocoanuts exported irrespective of the roads being banked by the local merchants or by the out-agencies at Jagur and Pirthipatti. It is estimated that a sum of Rs 6,000/- may be collected under this head

(3) A terminal tax of half anna per railway maund on all imports at the Chhinga Railway Station except on fuel and foreign oil on which octroi will be continued to be levied. It is estimated that a sum of Rs 8,000/- may be collected under this head

(4) Terminal tax as noted below on all goods merchandise traffic from stations beyond Diwar and arriving at the Chhinga Station :-

One anna on each 1st class package.
Half anna on each 2nd class package.
Quarter anna on each 3rd class package

This is estimated about [illegible]

(note) In the case of this [illegible] arrangements will be made with the Railway Company for collecting the taxes, a small commission being allowed to them on such collections

(5) A slaughter house fee of annas two be levied on each sheep and goat slaughtered It is expected that on an average Rs. 1,000/- a year may be raised under this head

(6) A surcharge fee of annas four on all arrack sold by licensees in the Town in excess of 30 gallons per month in each shop. The estimated revenue will be about Rs 1,000/- per annum from this source

(7) A tax of four annas per railway maund on all hides, skins and tanning materials exported from this Station It is estimated that a sum of Rs 1,000/- may be collected under this head.

x x

[illegible] ---
[illegible]

[illegible]
[illegible]